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Terry Goddard to Appeal Ruling on Money Transfers Used for Human Smuggling

(Phoenix, Ariz. – Jan. 10, 2007) Attorney General Terry Goddard today said he will appeal a Maricopa County Superior Court ruling that takes away the State's authority to seize suspicious money transfers to Mexico that finance human smuggling operations in Arizona. The appeal will be filed with the Arizona Court of Appeals.

A decision Tuesday by Judge Kenneth Fields quashed a warrant issued last September that allowed the Attorney General's Office to seize money transfers from 26 other states into Mexico.

"We are disappointed by the court's jurisdictional decision, but it will not deter our efforts to use all legal means to apprehend 'coyotes' and fight human smuggling in Arizona," Goddard said. "Our money seizures over the past four years have been very effective, helping to disrupt smuggling, secure Arizona's border and make our neighborhoods safer."

The Attorney General's Office, the Department of Public Safety and Phoenix Police Department have conducted joint investigations of coyote organizations operating in Arizona. More than \$17 million in coyote assets has been seized, and information collected has led to more than a hundred arrests of coyotes and money launderers.

As a result of these investigations, many payments for human smuggling operations in Arizona are now being routed from other states to Mexico. This change prompted Arizona to obtain the warrant last September that enabled it to screen and seize transfers from 26 other states.

Judge Fields ruled that Arizona did not have jurisdiction to seize funds that were not sent from or received in the State. The Attorney General's Office contended that the State has jurisdiction in cases where the money is used to finance crimes and smuggling organizations in Arizona.

"Our focus has always been on crimes committed in Arizona, and every effort has been made to prevent the seizure of any funds from people not involved in human smuggling," Goddard said. "While the judge quashed this warrant, the court found in an earlier ruling that my office has the statutory authority to obtain this kind of information."

In a Sept. 18, 2006 ruling, Maricopa County Superior Court Judge James H. Keppel ordered Western Union to provide data and information related to wire transactions that provide leads in human and drug smuggling investigations. Judge Keppel ruled that the Attorney General has

statutory authority to request this data and that the information sought is relevant to the investigation of racketeering offenses.

The seizure warrant in question was granted on Sept. 22, 2006, and targeted money believed to be sent to coyotes in Sonora, Mexico, just south of the Arizona border.

A copy of Judge Fields' ruling is attached.

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